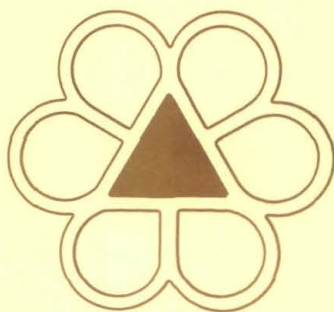




Center for Business and Economic Education

LOCATED ON LUBBOCK CHRISTIAN COLLEGE CAMPUS



Presents

THE ESSENCE OF AMERICANISM

An Address By

Leonard Read





Leonard Read

"The Essence of Americanism"
Delivered February 26, 1974 at the
Center for Business and Economic Education
at Lubbock Christian College.

Leonard Read was born on a farm in Michigan. Having the background of a 102 hour work week from 11 to 18, he maintains that *"economic progress, not law, has lessened child labor."*

At 19, his formal education was interrupted when he joined the Aviation Section of the Signal Corps. Following his service in England, France, and Germany during World War I, he sold insurance, worked as a cashier, then opened his own wholesale produce business. In 1927 he began a career in Chamber of Commerce work as secretary of a small organization. He then served for ten

years as manager of the National Chamber's Western Division and, in 1939, became the General Manager of the Los Angeles Chamber, the largest of them all. In 1945 he was named Executive Vice-President of the National Industrial Conference Board. He left the NICB in 1946 to organize and to become President of the Foundation for Economic Education.

Leonard Read is one of the founders of the Mont Pelerin Society. As a spokesman of the freedom philosophy, he has lectured widely throughout this country and abroad.

THE ESSENCE OF AMERICANISM

When the topic for discussion is as controversial as my present subject matter — political economy — any audience is entitled to know, at the very outset, where the speaker stands, philosophically. Perhaps I can reveal my general position by relating a recent experience.

Two engagements had been accepted in Kenosha, Wisconsin, the first a luncheon with 200 clergymen, the second a dinner with 400 high school teachers. I boarded an early jet at Idlewild for Chicago's O'Hare field. Twenty minutes before our scheduled arrival the captain reported over the intercom: "Sorry, this whole area is socked in; we are landing in St. Louis." This put me 350 miles from Kenosha with no chance of keeping the luncheon engagement, and grave doubts about the dinner meeting.

Luckily, I was able to board a DC-3 shortly after noon with scheduled stops at Springfield, Peoria, and Moline, Illinois; Clinton, Iowa, and Milwaukee. We made our destination at 5 p.m., landing in rain and fog. I was met and driven to Kenosha just in time to join the high school teachers at dinner.

The emcee, when introducing me, referred mostly to "the miserable weather our speaker has gone through."

I began my speech by saying, "Mr. Chairman, Ladies and Gentlemen: I want you to know that I like today's weather — or any weather. In fact, I like heat, cold, rain, hail, sleet, fog, snow; this is my way of expressing appreciation that God, not the government, is in charge."

Now to my controversial topic.

G. K. Chesterton once observed: It is not that Christianity has been tried and found wanting; it is that it has been tried and found difficult — and abandoned. Perhaps much the same thing can be said about freedom: It is not that freedom has been tried and

found wanting; rather, it is that freedom has been tried and found to require self-responsibility and all but abandoned by the American people.

Freedom, as I view it, divides into two broad and distinct categories: the psychological and the sociological. The psychological has to do with man freeing himself from his own fears, frustrations, superstitions, imperfections, ignorance. While this phase may be the more important of the two because it is fundamental to the other, it is not to be the subject of this discourse. Instead, I shall dwell only on the sociological aspect of freedom, this having to do with man imposing his will by force upon others.

We should — all of us — concentrate on freeing ourselves from our own ignorance, for this is a never-ending, upgrading, glorious task. This is what we are here for. On the other hand, we should not — any of us — find it necessary to free ourselves from the domination of others, for it is absurd that we should be in this predicament — yet, we are, and on the grand scale!

The absurdity of having to free ourselves from those who would and do impose their will upon us by force can be demonstrated by asking a simple question to which the answer is obvious. The question is this: What moral right have I forcibly to direct and control that which you shall invent, discover, create; where you shall work, what your wage shall be, how long you shall labor, what and with whom you shall exchange, or what thoughts you shall entertain? No doubt everyone will agree that I have no such rights of forcible direction and control over any other person. And, if logical, everyone would have to agree that no combinations of persons, even a majority of adult Americans, or even any agencies they might contrive, be they government or otherwise, have any moral right to forcibly direct and control any person's productive and creative

actions.

Perhaps we can get a better idea of this by reflecting on the manner in which man's energies tend to manifest themselves. As I see it, man's energies manifest themselves either destructively or creatively. If, for example, I use my hand to build a house or paint a picture or write a book or strew seed, this is an example of my energy manifesting itself productively or creatively. But if I were to take this same hand and make a clenched fist of it and strike you in the face, this would be an example of my energy manifesting itself destructively. Now, any person on earth — I care not who he is — has a moral right to defend himself against the destructive action of another or others. And he has a right to organize for that defense. But there is no person who has any moral right forcibly to direct or to control the productive and/or creative actions of any other living person.

Let us now take a brief look at our own history that we may better see how important the sociological aspect of freedom has become. Go back a little more than three centuries to the year 1620, the occasion of the landing of our Pilgrim Fathers at Plymouth Rock. That little colony began its career in a state of pure and unadulterated communism. For it made no difference how much or how little any member of that colony produced; all of their produce went into a common warehouse under authority, and the proceeds of the warehouse were doled out in accordance with the authority's idea of the need. In short, these Pilgrim Fathers began the practice of a principle which more than two centuries later Karl Marx advanced as the ideal of the Communist Party, which was: From each according to ability, to each according to need — and by force!

Now, there was a compelling reason why our Pilgrim Fathers gave up this communalistic or communistic practice. It was because many members of the colony were starving and dying. As a rule, this kind of an experience causes persons to reflect upon what

they have been doing!

They did, indeed, do some hard thinking. It was during the third winter that they met with Governor Bradford who, in effect, said to them: Come next spring we are going to try a new idea. We shall drop the idea of *from each according to ability, to each according to need*. We shall try in its stead the idea of *to each according to merit*. When Governor Bradford made this pronouncement he set forth the principle of private property as clearly as any economist ever did, the principle being only that each individual has a right to the fruits of his own labor. Governor Bradford ended his remarks by telling his colleagues that each of them from now on was to have what each produced. And, according to the record, when next spring came around, not only was father in the field but, for the first time, mother and the children were there also.

It was the practice of this private property principle that brought to this land of ours an era of growth and prosperity which sooner or later had to lead to revolutionary political ideas. And it did lead to what I refer to as the American revolution.

Now, I never think of the American revolution as the armed conflict which we had with King George III. That was a reasonably minor fracas as such affairs go! The real American revolution was a revolutionary concept or idea; it was a break with the whole political history of the world.

For, up until 1776, men had been contesting with each other and killing each other by the millions over the age-old question of which one of these numerous forms of man-made authority — that is, authoritarianism — should preside as sovereign over man. The argument had not been between authoritarianism on the one hand and freedom on the other, but only between this or that brand of authoritarianism. And then, in 1776, in the fraction of one sentence came this revolutionary idea, this break with the whole political history of the world, this thought or concept which I refer to as the essence of Americanism. It was

simply this: that men "are endowed by their Creator with certain unalienable rights; that among these are Life, Liberty . . ."

This revolutionary concept was at once a spiritual, a political, and an economic concept. It was spiritual in that the writers of the Declaration believed and proclaimed that the Creator is the endower of men's rights, thus establishing the Creator as sovereign.

It was political in that by saying such a thing they implicitly denied that the state is the endower of men's rights, thus unseating the state as sovereign.

And it was economic in this sense: If an individual has a right to his life, it follows that he has a right to sustain his life — the sustenance of life being nothing more nor less than the fruits of one's own labor.

It is one thing to adopt such a revolutionary concept as this; it is quite another matter to implement it — to put it into practice. To accomplish this, our Founding Fathers added two political instruments — the Constitution and the Bill of Rights. These two political instruments were essentially a set of prohibitions; prohibitions not against the people but against the thing the people, from their Old World experience, had learned to fear, namely, overextended government.

The Constitution and the Bill of Rights more severely limited government than government had ever before been limited. If you will review these two political documents, you will note that there are 46 specific instances of governmental negation. These were, in effect, pronouncements of limitation: government, these are areas for the citizens in free and unfettered action; keep your hands off. There were benefits that flowed from this unprecedented limitation of the state.

Number one, once this arrangement got under way, the people did not turn to government for security, welfare, or prosperity simply because so limited a government had nothing on hand to dispense; nor did it have the power to take from some that it might give to others. Now, what do a people do who

cannot turn to government for security, welfare, and prosperity? To whom or to what do they turn? They turn to where they should turn — namely, to themselves.

As a result of this discipline founded on the revolutionary concept that the Creator, not the state, is sovereign, there developed among our people a quality of character that Emerson referred to as "self-reliance." All over the world Americans gained the reputation of being a self-reliant people.

Then there was another benefit that flowed from this severe limitation of government. With government limited to the invoking of a common justice, inhibiting and penalizing fraud, violence, and predation — or, as I sometimes put it, to keeping the peace — there could not and did not then exist any organized force standing against the releasing of creative energies. And, as a consequence of this limitation, we experience a freeing of creative energy — again, on an unprecedented scale — and through the persons of self-reliant individuals.

We have here the formula mainly responsible for the "American miracle," founded on what I believe to be the truth: the Creator, not the state, is the endower of man's rights.

This way of life showed forth as individual freedom of choice. People had freedom of choice as to how they employed themselves and in pricing their own services, their own steel, their own aluminum, their own copper. They had freedom of choice as to what they did with the fruits of their own labor.

But something happened to this remarkable idea, this newest of all human formulas, this revolutionary concept. It seemed that the people we placed in government office as our agents to keep the peace made a discovery. Having acquisitive instincts for affluence and power over others — as indeed do many of us — they discovered that the force which inheres in government — that force the people had delegated to them to inhibit destructive actions — could be used to

invade the productive and creative areas — one of which is the business sector. They also found that, if they incurred any deficits by their interventions, the same force could be used to collect the wherewithal to pay the bills.

I would like to suggest that the extent to which government has departed from the original design of inhibiting destructive actions, invoking a common justice, and keeping the peace; the extent to which government has invaded the productive and creative area; the extent to which government has assumed the responsibility for the security, welfare, and prosperity of our people is a measure of the extent to which socialism and communism have developed in this land of ours.

Can this devolution be measured?

I think it can. Merely make reference to one of the characteristics that featured the original design, namely, that each individual has freedom of choice as to what he does with the fruits of his own labor. Bear in mind that freedom of choice exists except as authoritarianism is invoked. Thus, if we measure the loss in freedom of choice that the average citizen has experienced with his own income, we will get an idea of how much authoritarianism has taken over — socialism, communism, call it what you will, being founded on authoritarianism. No exception!

There was a time, about 130 years ago, when the average citizen had somewhere between 95 and 98 per cent freedom of choice as to what he did with each of his income dollars. That was because the take of government — federal, state, and local — was between 2 and 5 per cent of the earned income of the people. But, as government began more and more to invade the productive and creative areas, with the inevitable deficits, as government more and more assumed the responsibility for the welfare, security, and prosperity of the people, the percentage of the take of the people's earned income — regardless of how much the earned income went up —

kept going up and up until today it is no longer 2 to 5 per cent of the earned income of the people. It stands now at approximately 45 per cent, and grows apace!

Some of my friends claim that we should not be concerned about this, that, after all, on the average, we still have a 55 per cent freedom of choice with our earned income.

Permit me to interpolate for a moment and suggest that we should be careful how we use this term "on the average." Take a 40-hour week. A person goes to work at eight o'clock in the morning, takes an hour off for luncheon, works until five, Monday through Friday — that's forty hours. The average person has to work Monday, Tuesday and until 9:24 a.m. on Wednesday for government before he can start working for himself. But if the individual has been extraordinarily successful, he finds that he has to work all day Monday, all day Tuesday, all day Wednesday, and until late afternoon on Thursday for government before he can start working for himself. He has little more than a day to work for himself. This, I take it, is a part of the new "incentive" system!

Nonetheless, on the average, we do have 55 per cent freedom of choice with our earned income. However, you will be well advised to take no solace from this fact. Research into the monetary behavior of nations covering a period of many centuries reveals that whenever the take of the people's earned income reaches that high level where it is no longer politically expedient to collect the costs of government by direct tax levies, that governments have throughout history — and do today — resort to inflation as a means of financing their interventionist programs.

What is that high level where political expediency dictates inflation? There are some exceptions but, as a rule, it is when the costs of government rise to 20 to 25 per cent of the people's earned income. That's the take-off point for inflation. Keep in mind that we are now at the 45 per cent level.

What do I mean by inflation? Not what most people mean! Inflation is popularly conceived as a rise in prices. But a price rise is not inflation; it is only one of the possible and likely consequences of inflation.

Inflation is the dilution of the medium of exchange, the money supply. Inflation, to the economist, is the same as counterfeiting; to the lawyer it has the distinction of being legal.

Governments have always inflated — diluted the medium of exchange — with popular approval. The reason for the popularity is the economic naivete of most people; they think they can have their cake and eat it too, as the saying goes; that is, they believe they can continue to receive these so-called benefits from government without having to pay for them. They think this only because the payments are not made by direct tax levies. They fail to see that inflation is an obscure, sneaky tax on fixed assets, a point I shall explain in a moment. Inflation, without question, is the cruelest and most unjust form of taxation ever devised. Inflation is merely a device for syphoning private property into the coffers of government.

Historically, the means of making up the difference between the costs of government and what can be collected by direct tax levies has taken varied forms; some have been clever, others crude; in short, there are numerous ways to skin a cat. Recall coin clipping. The Sovereign called in the coin of the Realm, clipped and kept the edges, returning the reduced coins to the owners. This rather stupid hocus-pocus had one advantage: it couldn't last very long for soon the pieces were too small to return.

During the French revolutionary period, France was in dire financial straits. The government began the issuance of an irredeemable paper money, known as *assignats*, secured by what do you think? Gold? No, by confiscated church properties. The consequences were unbelievably awful. Every American interested in freedom should read Andrew Dickson White's account of

this debacle — *Fiat Money Inflation in France*, a small book, classic on inflation, and obtainable from our Foundation.

In the Argentine the government has had an annual expense, to use a sample figure, of 100 billion pesos. No more than 50 billion pesos could be collected by direct tax levies; thus, a 50 billion peso annual deficit. What is their system? Merely turn on the presses and print 50 billion new pesos annually. One does not have to be much of an economist to understand that when the volume of money is increased, everything else being equal, the value of the money will decline. And when money declines in value, everything else being equal, prices will tend to rise.

Imagine yourself as an Argentine citizen of some 30 years ago. You had money in the bank, you owned bonds, and had secured your future with pensions and insurance. Those investments, today, are practically worthless. And all because of the government's dilution of the money supply as the politically expedient means of financing excessive governmental activities.

Let us now observe how inflation acts as an obscure and sneaky tax. My first visit to the Argentine was in 1941. One dollar was exchangeable for three pesos. Thirty two years later? Approximately 350 pesos to the dollar! But the dollar is worth less than one-third of what it was then. Thus, if in 1941, you had deposited 1,000 pesos in Buenos Aires, they would, today, have the purchasing power of only several 1941 pesos. In short, inflation would have taxed away at least 99½ per cent of your deposit.

We in this country have a clever system of inflation. We monetize debt! That is, the more we go in debt the more money we have. Should we spend 100 billion dollars to put some men on the moon we, as citizens, won't have that much less in dollars but that much more in dollars. Since we began deficit financing and monetizing debt, we have increased our money supply enormously.

The Russians, in my opinion, have the most honest system of dishonesty. Their system is both simple and crude. The government issues government bonds and forces the people to buy the government bonds. And then, after the people have bought the government bonds, the government cancels the government bonds. Many Russians, no doubt, are aware that there is some chicanery going on.

Quite sincerely, I wish we were using the Russian system for, were we doing so, more Americans than now would understand what is being done to them.

The fiscal concomitant of the welfare state or socialism or governmental interventionism — call it what you will — is inflation. Politically, there is no way of financing interventionism except by inflating the money supply.

So, if you wish to assist in ridding our country of inflation's havoc, there is only one thing you can do to be helpful, and that is to assist in wringing the socialism out of our economy.

One of my hobbies is cooking and, therefore, I am familiar with kitchen gadgetry, including the sponge. In one respect a sponge resembles a good economy: it will sop up an awful lot of mess; but when the sponge is saturated, the sponge itself is a mess. The only way it can be made useful again is to wring the mess out of it. I hope my analogy is clear.

More needs to be said about inflation so let's take a look at modern France, which economically, can be likened to the U.S.A. It is always easy to see faults in others, difficult to discern our own shortcomings.

The French government, in 1914, began intervening in the productive and creative areas and initiated security, welfare, and prosperity programs. Recall that such programs are financed by diluting the medium of exchange — inflation — and that this lowers the purchasing value of the money. Thus, the franc should have lost some of its purchasing value during these 59 years. How much has it lost? As with the Argentine peso, more than 99½ per cent!

In 1918, while in Paris, I bought a good dinner for 5 francs which was the equivalent of a 1918 dollar. I didn't get to France again until 1947. I took a friend to luncheon, admittedly a better restaurant than I went to as a soldier boy in World War I. But I didn't pay 60 or 70 francs for the two lunches. I paid 3,400 francs! Two years later I was in Paris with my wife. We went to the same restaurant and had the same luncheon, because it is instructive to check prices. I did not pay 3,400 for those two lunches; I paid 4,100! Recently, the price for those two lunches was about 6,000 francs — old French francs.

Visualize, if you will, a young Frenchman in 1914. Let us say he was in his early teens. Being a forethoughtful lad, he was looking forward to the year 1973 when he would reach the age of retirement. So, at that time he bought himself a paid-up annuity, one that would return him 1,000 francs per month beginning January 1973. In 1914 he could have lived rather well on 1,000 francs per month. But my doctor friends are unanimous in reporting to me that no one can exist on only one meal every 30 days, and that is all the 1,000 francs would buy today, a meal of about one-third the quality that any of us would buy were we in France at this time. Should you like to test the validity of this line of reasoning historically, let me call your attention to several simple facts: Only 44 years ago the expenses of government in Russia were 29 per cent of the people's earned income, not 45 per cent where we are today. In Germany it was 22 per cent, and in England 21 per cent.

In popular terms, inflation is of two types: creeping inflation and galloping inflation. *Creeping inflation* is supposed to be the type that we are now experiencing, although the term is not quite lusty enough to describe a dollar that has lost some 70 per cent of its purchasing value since the mid-thirties.

Galloping inflation is the type that went on in Germany during the years after World War I, in France after the revolutionary period, in China

recently, and that goes on in several Latin American countries today. To illustrate: Some years ago a friend gave me a piece of Bolivian currency, the size of our dollar bill — 10,000 Bolivianos. He said it was worth 4,600 present day American dollars in 1935, I asked him what it was worth today? He replied, "80 cents!" That's what might be called galloping inflation — all brought about by government interventionism.

I wish now to suggest that inflation in this country has ever so many more catastrophic potentials than has ever been the case in any other country. My reasons are simple and self-evident. Everyone knows that we are the most advanced division-of-labor society that has ever existed. That is, we are more specialized than any other people have ever been and, thus, further removed from self-subsistence. I, for one, do not know how to raise my food, build my home, get the gas for cooking and heating, and so on.

Indeed, we are so specialized today that everyone of us — in this nation, even the farmers — is absolutely dependent upon a free, uninhibited exchange of our numerous specializations. Merely reflect on having to live on only that which you do.

In any highly specialized economy one does not effect exchanges by barter. Skills in electronics, for instance, can't be swapped for a yard of calico. We don't go to a filling station and say, "Here's a goose; give me a gallon of gas." In a specialized economy we have to rely on an economic circulatory system — the medium of exchange, the money.

This economic circulatory system, in one respect, can be likened to the circulatory system of the body, the bloodstream.

The circulatory system of the body effects exchanges: it picks up oxygen in the lungs and ingested food in the midsection and distributes these specialities to some 30 trillion cells of the body. At those points it picks up carbon dioxide and waste matter and carries them off. I could put a needle into one of your veins and dilute your

bloodstream to the point where it would no longer make these exchanges, at which point, we could refer to you quite accurately in the past tense.

By the same token, we can dilute our economic circulatory system, our medium of exchange, to the point where it will no longer serve to circulate the products and services of economic specialization. When millions of specialists cannot exchange they are helpless. In our country survival depends on the integrity of the circulating medium, our money.

Let me illustrate: Right after the 1918 Armistice my squadron was sent to Coblenz with the Army of Occupation. The German inflation was underway. I knew no more about inflation then than most Americans now. Further, like most Americans now, I enjoyed what I experienced; namely, I received more marks each payday than the previous payday — and it was not because my salary had been raised; it was because the inflation was underway. After my departure in 1919, the inflation kept right on until 1923 when a billion marks would not buy a single loaf of bread.

Shortly before I was there an old German passed away, leaving a fortune to his two sons, 500,000 marks each. One of the sons was a frugal lad; he never spent a pfennig of it. The other was a wastrel; he spent it all on champagne parties. When the day came in 1923 that a billion marks would not buy a loaf of bread, the lad who had saved everything had nothing, but the one who had spent his marks on champagne parties was able to exchange the empty bottles for a dinner. You see, the economy had been reduced to barter.

To deeply interested individuals, a logical question now looms large: Has there ever been an instance of a country on our type of socialistic toboggan that has succeeded in a reversal? If not, our prospects would appear dim, indeed.

There have been some minor instances, not worth enumerating. The only significant one known to me took

place in England following the Napoleonic Wars.

England's debt, in relation to her resources, was certainly larger than ours is now; her taxation was confiscatory; and the restriction — production controls, wage and price controls, exchanges controls — were so numerous that had it not been for the smugglers, black marketeers, law breakers, many of the people would have starved.

Then there arose in England a movement of liberation, and we should take cognizance of what happened. Movements good or bad are always led by one or two individuals. In this instance, the leaders were John Bright and Richard Cobden. They, of course, had several thousand energetic supporters or followers. But they understood the meaning of freedom in transactions. I might add that they had a brilliant collaborator on the Continent, a Frenchman, Frederic Bastiat. If you haven't already done so, by all means read Bastiat's little book, *The Law*. It is the finest work I have ever come upon setting forth the principles one should keep in mind when trying to decide what the proper scope of government is.

In any event, Cobden and Bright went about England writing and speaking on the merits of freedom and, as a result, there began the greatest reform movement in English history: the repeal of restrictive law.

The Corn Laws were repealed outright which, here would be comparable to repealing subsidies to farmers. While the Poor Laws were not entirely repealed, they were greatly reduced which, here, could be likened to ridding ourselves of compulsory social security. There were other repeals and, fortunately for Western Civilization, England had a government — whose nominal head was Queen Victoria — that appeared to have no passion for ruling Englishmen in the over-riding sense of rule. The government relaxed the authority which the people themselves believed to be implicit in their Sovereign, in short, the government gave the people freedom in the sense that a prisoner on parole is given con-

ditional freedom. But the government did none of this; the English people roamed all over this earth and established the British Empire, a fairly enlightened development that continued until just before World War I - when the same old disease set in again.

It is now relevant to inquire about this disease, which resumed its course then, and since has infected every nation, including our own. What, precisely, is it?

This disease has many popular names, some of which I have mentioned, such as socialism, communism, and state interventionism. Other names are Fabianism, fascism, nazism, the welfare state, the planned economy. Better known to us are New Deal, Fair Deal, New Republicanism, New Frontier, and The Great Society.

Is there a characteristic which all these programs have in common? The answer is yes. The feature shared by every one of these ideologies is a belief in the employment of organized police force — government — not with the emphasis on keeping the peace but, rather, on controlling the productive and creative activities of individual citizens. This is what their advocates proclaim. Read any of their platforms and see for yourself if the aim and promise is not to take over more and more of the responsibility for the security, welfare, and prosperity of the entire citizenry. Slice it any way you will, all of these programs are authoritarian to the core; their essence is statism; they are the very antithesis of the free market, private property, limited government way of life.

An example: I can remember the time when, if we wanted a house or housing, we put our reliance in the free market. First, we left the demand for housing to whoever wanted a house. I could never see anything wrong with that. Second, we relied upon those who wanted to compete in building the house. And, third, we relied upon the person who thought he saw some advantage to himself in loaning the money for the tools, the labor, and the material. Under this free market method, we built more square

feet of housing per person than was ever built in any other country. Yet, in the face of this remarkable accomplishment, today more and more persons are believing that the only way we can have adequate housing is to use this agency of force — government — to deprive some people of the fruits of their labor in order to subsidize other people selected by the government as beneficiaries. In short, we are regressing to where the Pilgrim Fathers were in 1620-23, and where Karl Marx was in 1875 — which was from each according to ability, to each according to need. This is called Public or Government Housing, Federal Urban Renewal and the like. *But please do not get the idea that this collectivistic principle is being applied merely to housing.* Today, it is being imposed on every single segment of the American economy.

As this belief in the use of force as a means of accomplishment increases, the belief in free men to get things done correspondingly diminishes. As the belief in men acting by force goes up, the belief in men acting freely, voluntarily, competitively, cooperatively, privately goes down. So the solution to this problem, if there be one, has to take a positive form, namely, the restoration of a faith in free men.

Let me give you just one example of how a faith in free men is lost. Suppose that I were to ask the people in your community, "Should government deliver the mail?" Almost everyone would say "Yes." Why would they say yes? There are numerous reasons, one of which is that the government has pre-empted this productive activity for so many decades — has had a monopoly of it for so long — that all the people in the country who are enterprisers or entrepreneurs have given up any thought as to how they would go about it if it were a free market opportunity.

Reflecting on the matter, I discovered that we deliver more pounds of fresh milk every day than we do pounds of mail. Check it out yourself: do you not receive more pounds of fresh milk at home than pounds of mail? Next I discovered that milk is

more perishable than a love letter or catalogue, or an appeal for money. And, third, I discovered that we deliver the milk more promptly, efficiently, cheaply than we do mail. Then I asked myself what appears to be a logical question: Why do we not leave mail delivery to the market as we do freight — freight is heavier? But don't you see, almost everyone today has lost faith in free men's ability to deliver a letter!

Who are these people who have lost faith in themselves to deliver a letter? I shall stick to the subject of delivery and to recent times.

How far could the human voice be delivered only 110 years ago? Actually, it was the distance two of the loudest shouters could effectively communicate — I would guess about 50 yards. In the meantime, free men are now delivering the human voice around this earth — indeed, much further — in one-seventh of a second. They have increased the speed from that of sound to that of light, and the distance a million times! Shouldn't we pause and ask ourselves, "What goes on here?"

Reflect on the delivery of a spectacle, such as a Rose Bowl game or a Shakespearean play. These events can now be delivered into everyone's living room, in motion and color, at the time of performance. The magic of what free men will do!

The delivery of the human voice and human activities is nothing short of miraculous. But consider the delivery of human beings: more than 100 from Seattle to Baltimore in less than four hours. Asked to imagine what George Washington would have said had he seen a modern jet in flight, a humorist replied, "Martha, I'll never touch another drop."

When we have left men free to try, they have found out how to deliver gas from a hole in Texas to my home in Irvington-on-Hudson at low prices.

Free men deliver 64 ounces of oil from the Persian Gulf to our Eastern Seaboard — half way around the earth for less money than government will deliver a one-ounce letter across the

street in your home town.

My point is that it's the very men who have had a hand in these free market miracles who have lost faith in themselves to deliver a letter. The evidence to warrant a faith in free men and what they can accomplish exists in such profusion — like the air we breathe — that most of us take no thought of it. As for myself, I have faith in free men; none at all in coerced men.

We must now inquire, why this devolution? Why this loss of faith in free men? Why our head-long plunge into all-out statism?

It is safe to say that no one knows the exact answer, for cause underlies cause ad infinitum. The deepest cause I have been able to identify is a loss of moorings: the people, by and large, have all but forgotten the spiritual antecedent of the American miracle. In my view, we either accept the idea that men's rights are an endowment of the Creator or we submit to the idea that they are an endowment of the collective which, in this context, is the state. Accept the former or be victimized by the latter; I have never heard of a convincing third alternative.

Millions of our citizens stoutly maintain that they dislike communism, socialism, the total state. They at least lend lip service to anti-authoritarianism. Yet, among these millions, one will do well to find more than a few thousand who are above the sputtering level. Only a few can interestingly, attractively, persuasively explain socialism's opposite — which is the free market, private property, limited government philosophy with its moral and spiritual antecedents.

The crying need is for skilled ex-

position of the freedom way of life; lacking this, there can be no reversal of the tide. Socialism will continue to advance unless there emerge more and better students of liberty.

Our role at The Foundation for Economic Education is to be students of liberty, and the welcome sign is out: join us in understanding the ways of freedom and in learning how to explain this wonderful philosophy with an ever-increasing clarity. Become a wellspring of the freedom philosophy in your own orbit!

We differ from most interested persons only in that we spend full time in seeking enlightenment pertaining to freedom and related matters. We have a monthly study journal, *The Freeman*; we conduct seminars and give lectures before those who seek our counsel; and we have now a remarkable freedom library of some 115 volumes, ranging from Henry Hazlitt's simple *Economics In One Lesson* to the advanced tome, *Human Action*, by the renowned economist, Dr. Ludwig von Mises. In short, we are in a position to service your needs in thoughtfully prepared source material and, thus, to fulfill our aim of being an aide to you and others.

What is the correct procedure? We suggest the improvement of self rather than the utterly futile attempts to set others straight. A bit of doggerel comes to mind:

And so I hold it is not treason
To advance a simple reason
For the sorry lack of progress we
decry.

It is this: Instead of working
On himself, each man is shirking
And trying to reform some other
guy.

REPRINTS of "The Essence of Americanism" may be obtained from The Center of Business & Economic Education, 5601 West 19th Street, Lubbock, Texas 79407. Price: One to 49 copies, 50 cents each; 50 to 99, 40 cents each; 100 to 999, 30 cents each; 1,000 or more, 20 cents each. Enclose remittance.